

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7711

BILL NUMBER: SB 420

NOTE PREPARED: Apr 24, 2003

BILL AMENDED: Apr 23, 2003

SUBJECT: Kids First Trust Fund, License Plate, and Board.

FIRST AUTHOR: Sen. Merritt

FIRST SPONSOR: Rep. Murphy

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill renames the Children's Trust license plate as the Kids First Trust license plate. It renames the Indiana Children's Trust Fund and the Indiana Children's Trust Fund Board as the Indiana Kids First Trust Fund and the Indiana Kids First Trust Fund Board. The bill also makes conforming changes. It specifies that the Bureau of Motor Vehicles (BMV) may not impose a pull service charge of more than \$15 for a Lewis and Clark Bicentennial Special Group Recognition license plate.

Effective Date: January 1, 2003 (Retroactive); July 1, 2003.

Explanation of State Expenditures:

Background Information: The BMV has issued 48,320 Children's Trust (Kids First) license plates which expire in 2003.

If the Bureau of Motor Vehicles re-designs a license plate, the additional costs involved are the following. Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, submits charges to the Bureau of Motor Vehicles (BMV) based on the number of colors in the design as shown in the schedule below.

<u>Colors</u>	<u>Set-Up Charge</u>	<u>Price Per Plate</u>
1	\$198.58	\$4.30
2	\$272.16	\$4.30
3	\$345.74	\$4.30
4	\$419.32	\$4.30
5	\$492.90	\$4.30
6	\$566.48	\$4.30

The above prices are effective for the 2003-2005 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$45-per-hour charge. Origination fees include the film positives and the silk screen charges and total \$73.58 per plate design. When the art work is provided by the customer, the set-up fee is \$17.50. The fund affected for PEN Products is PEN Products Revolving Fund. There will be computer and accounting changes for the BMV. The fund affected for the BMV is the Motor Vehicle Highway Account (MVHA) which supports the BMV.

The newly designed and named license plates are to be available beginning January 1, 2004.

Explanation of State Revenues: Currently, there are 88 license plates that have been issued by the Lewis and Clark Commission. The current pull service charge is \$30. Revenue generated from the \$30 fee amounted to \$2,640 in 2002. If this level of sales is repeated, reducing the fee to \$15 would mean revenue would amount to \$1,320. This would represent a revenue loss of \$1,320. The fund affected is the State License Branch Fund, which supports the license branches throughout the state.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (PEN Products).

Local Agencies Affected:

Information Sources: Brad Hoffman, Director of Special Plate Sales for the BMV, 233-2514; Becky Gillam, New Enterprises Manager for PEN Products, 388-8580, ext. 220.

Fiscal Analyst: James Sperlik, 317-232-9866.